

**United States Army Acquisition Support Center (USAASC)
Student Loan Repayment Program Policy**

1. Purpose: This document establishes policy for the United States Army Acquisition Support Center's (USAASC) Student Loan Repayment Program (SLRP) available to Department of the Army civilian Acquisition, Logistic and Technology (AL&T) workforce members. This program is intended to facilitate the recruitment and retention of highly-qualified AL&T Workforce members by repaying part or all of their personal qualified federally insured student loans.
2. References:
 - A. Title 10, United States Code (U.S.C.), Chapter 87, Defense Acquisition Workforce, Section 1701-1764, Defense Acquisition Workforce Improvement Act (DAWIA) of 1990, as amended.
 - B. Title 5, U.S. C., Section 5379, "Student Loan Repayments", January 3, 2007.
 - C. Title 5, U.S. C., Section 2105, "Employee", January 3, 2007.
 - D. Title 5, Code of Federal Regulations, Part 537, "Repayment of Student Loans," January 1, 2007.
 - E. DODI 5000.66, "Operation of the Defense Acquisition Technology and Logistics Workforce Education Training and Career Development Program," December 21, 2005.
 - F. Office of the Under Secretary of Defense Memorandum, Subject: DOD Student Loan Repayment Program, September 30, 2004.
 - G. DA Office of the Deputy Chief of Staff, G-1 Memorandum, Subject: Department of Defense (DoD) Student Loan Repayment Program, March 22, 2005.
 - H. Assistant Secretary of the Army Acquisition, Logistics and Technology (AL&T) Memorandum, Subject: Delegation of Authority for the Repayment of Student Loans, July 14, 2004.
 - I. USAASC Memorandum, Delegation of Authority for the Repayment of Student Loans – ASC Implementation Plan, January 26, 2005.
 - J. USAASC Student Loan Repayment Program Application Procedures, October 2008.
3. Applicability and Scope: This document applies to all:
 - A. Department of the Army civilian AL&T workforce members.

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B. Eligible AL&T workforce members may be considered for personal loan repayment up to \$10,000 per calendar year, with a potential \$60,000 lifetime maximum for any individual. More than one loan may be repaid so long as the combined repayments do not exceed these limits.

C. There is a three year Service Obligation requirement, followed by supplemental increases, for employees that use this program to repay their student loan(s). Before any loan repayment may be made, the employee must sign a written agreement to serve a minimum of three years with the Department of Army, regardless of the amount of repayment authorized. This three-year period will begin when the first payment is made to the holder of the loan. Any further repayment made after the initial agreement has been completed will extend the service agreement by one additional year for each additional payment made.

EXAMPLE

- o John Doe is approved for SLRP on September 1, 2008
- o His loan is credited \$10,000.00 on September 1, 2008
- o His service obligation to DoD runs from Sept 1, 2008 – August 30, 2011
- o On September 1, 2009 he is approved for an additional \$10,000.00 loan payment
- o His service obligation to DoD is NOT extended.
- o On September 1, 2010 he is approved for an additional \$10,000.00 loan payment
- o His service obligation to DoD is NOT extended.
- o On September 1, 2011 he is approved for an additional \$10,000.00 loan payment
- o His service obligation to DoD is extended until August 30, 2012.

D. See separate student loan repayment policy for military AL&T workforce members.

4. Requirements:

A. Student loan repayment may be authorized upon determination that, in the absence of loan repayment benefits, the Army would have difficulty retaining a highly qualified employee. This determination must be in writing, endorsed by the applicant's 2nd Level Supervisor and/or first GS-15/COL equivalent in the employee's chain of command, whichever is higher. This endorsement should consider one or more of the following criteria:

- (1) Salary levels reported in published salary surveys for comparable non-federal positions;
- (2) Salary documented in a competing job offer;
- (3) The importance/criticality of the position and the effect on the agency if the employee were to leave;
- (4) The projected cost of recruitment and training associated with replacement of the employee;
- (5) The length of service of the employee with the agency.

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B. Evidence of need may be based on:

- (1) The unique or high qualifications of the employee or the special need for the employee's services that makes it essential to retain him/her;
- (2) The likelihood the employee would leave for employment outside the Federal service if he/she does not receive loan repayment benefits;

5. Selection Process: Upon receipt of applications, the USAASC will convene a Senior-Level Selection Board, under the authority of the Army's Deputy Director Acquisition Career Management (DDACM). Areas of consideration for recommendation may include but are not limited to: acquisition career status, grade point average, degree discipline, degree completion status.
6. Failure to Complete a Service Agreement: SLRP participants who are separated voluntarily or involuntarily for cause or poor performance and fail to complete the required service, agreement period must refund the full amount of benefits received during the initial three-year period. SLRP participants who fail to complete the period of service under a one-year extension (e.g., 4th year, 5th year), must repay the amount of the benefits received in the extension year only. If an employee fails to reimburse the agency, the amount outstanding will be recovered from the employee under established debt collection procedures. However, the Army may waive recovery if it is determined to be against good equity and good conscience or contrary to the public interest.
7. Procedures for Making Loan Repayments: Payments will be made directly to the lending institution holding the loan on behalf of the Army SLRP participant. The loan must be made, insured or guaranteed under the approved Higher Education Act of 1965 or approved under the Public Health Services Act (see attached listing). One payment will be made each year for the duration of the service agreement. Payments may be applied only to indebtedness outstanding at the time the agreement is signed. Loan repayment benefits made under this authority are in addition to base pay. These benefits are subject to Federal income tax, FICA and Medicare withholding, and any State or local income tax that may be applicable. Tax withholdings will be deducted at the time payment is made.
8. Effective Date and Implementation: This document is effective immediately and remains in effect for three years, or until rescinded.

DATE: JANUARY 6, 2009


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Attachment:
Qualified Student Loans

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ATTACHMENT: Qualified Student Loans

Loans covered under The Higher Education Act of 1965 include such loans as:

- Federal Family Education Loans (FFEL)
 - Subsidized Federal Stafford Loans
 - Unsubsidized Federal Stafford Loans
 - Federal PLUS Loans
 - Federal Consolidation Loans
- William D. Ford Direct Loan Program (Direct Loans)
 - Direct Subsidized Federal Stafford Loans
 - Direct Unsubsidized Federal Stafford Loans
 - Direct PLUS Loans
 - Direct Subsidized Consolidation Loans
 - Direct Unsubsidized Consolidation Loans
- Federal Perkins Loan Program
 - National Defense Student Loans (made before July 1, 1972)
 - National Direct Student Loans (made between July 1, 1972 and July 1, 1987)
 - Perkins Loans (made after July 1, 1987)

Loans covered under the Public Health Service Act include loans made under:

- Loans for Disadvantaged Students (LDS)
- Primary Care Loans (PCL)
- Nursing Student Loans (NSL)
- Health Professional Student Loans (HPSL)
- Health Education Assistance Loans (HEAL)